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FISCAL IMPACT STATEMENT

LS 7388

BILL NUMBER: HB 1440

NOTE PREPARED: Jan 15, 2004

BILL AMENDED:

SUBJECT: Sale Of Residential Housing Owned By DOC.

FIRST AUTHOR: Rep. Thomas

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires the sale of certain real property in LaPorte County and Putnam County that is owned by the state and under the control of the Department of Correction (DOC). The bill provides that proceeds from the sale shall be deposited in the Ombudsman Bureau Property Account, which is established to provide additional funds to the Ombudsman Bureau.

Effective Date: July 1, 2004.

Explanation of State Expenditures: *Summary:* Under the bill, the Governor and the Commissioner of the Department of Administration (DOA) would be authorized and directed to sell real estate on behalf of Indiana. The real estate to be sold would include all residential housing not currently housing incarcerated persons on the grounds of the Westville Correctional Facility and the Putnamville Correctional Facility.

The real estate must be sold for at least fair market value. The DOA would inform the Commissioner of the DOA when the sales have been completed. The bill would create the Ombudsman Bureau Property Account (OBPA.) The Department of Administration would be charged to oversee and operate the OBPA. The expenses to administer the account would be paid from the OBPA. Money placed in the OBPA would not revert to the state General Fund until June 30, 2007. Monies that were to remain in the OBPA after June 30, 2007, would revert to the state General Fund.

Background: Under P.L. 224-2003, the following appropriations were made:

DOC FACILITY	FY 2004 Appropriation	FY 2005 Appropriation
Putnamville Correctional Facility	Personal Services: \$26,078,379 Other Operating: \$5,450,472	Personal Services: \$26,078,379 Other Operating: \$5,450,472
Westville Correctional Facility	Personal Services: \$40,052,652 Other Operating: \$8,486,632	Personal Services: \$40,052,652 Other Operating: \$8,486,632
Westville Maximum Control	Personal Services: \$5,210,507 Other Operating: \$598,139	Personal Services: \$5,210,507 Other Operating: \$598,139

The real estate properties that would be sold under the bill are currently maintained, including utilities and other maintenance, by the correctional facilities.

Explanation of State Revenues: *Summary:* Under the bill, all revenue generated from the sale of the real estate, described above, would be placed in the newly created Ombudsman Bureau Property Account (OBPA).

[Note: This fiscal impact statement will be updated when additional information on the real estate in question becomes available.]

Background - Department of Correction Ombudsman Bureau (DCOB): The DCOB is a separate bureau within the Department of Administration. The DCOB's charge is to investigate and attempt to resolve complaints received that the Department of Correction violated a law, rule, or Department written policy, or endangered the health or safety of any person.

The DCOB received appropriations under P.L. 224-2003 of \$150,000 in each of FY 2004 and FY 2005.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Correction, Ombudsman Bureau; Department of Administration.

Local Agencies Affected:

Information Sources: Department of Correction; P.L. 224-2003.

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